

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

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In re:	:	Chapter 11
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DELPHI CORPORATION, <u>et al.</u> ,	:	Case No. 05-44481 (RDD)
	:	
Debtors.	:	(Jointly Administered)
	:	
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**SUMMARY SHEET PURSUANT TO THE UNITED STATES TRUSTEE GUIDELINES  
FOR REVIEWING APPLICATION FOR COMPENSATION AND REIMBURSEMENT  
OF EXPENSES UNDER 11 U.S.C. 330**

**THIRD INTERIM APPLICATION OF**

Name of Applicant:	<u>FTI Consulting, Inc.</u>
Authorized to provide Professional Services to:	<u>Delphi Corporation, et al.</u>
Date of Retention Order <sup>1</sup> :	<u>November 4, 2005</u>
Period for which compensation and reimbursement is sought:	<u>June 1, 2006 through September 30, 2006</u>
Amount of Compensation requested:	<u>\$7,483,126.56</u>
Amount of Expense Reimbursement requested:	<u>\$553,976.43</u>
Voluntary Reductions:	<u>\$754,276.00</u>
This is an (a): <u>X</u> Interim <u>    </u> Final Application	

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<sup>1</sup> Pursuant to an order of the Court dated November 4, 2005 (the "Final Retention Order"), the Debtors were authorized to retain FTI as their restructuring and financial advisor to render advisory services in connection with these Chapter 11 cases.

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

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Debtors.	:	(Jointly Administered)
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**THIRD INTERIM APPLICATION FOR ALLOWANCE OF COMPENSATION  
AND REIMBURSEMENT OF EXPENSES INCURRED BY FTI CONSULTING, INC.  
AS RESTRUCTURING AND FINANCIAL ADVISOR TO THE DEBTORS  
FOR THE PERIOD JUNE 1, 2006 THROUGH SEPTEMBER 30, 2006**

**INDEX**

**Application**

**Exhibits:**

- A. Certification of Randall S. Eisenberg
- B. Credentials and Summary of Fees by Professional
- C. Summary of Fees and Expenses by Month
- D. Summary of Fees and Hours by Project Category by Month
- E. Summary of Expenses by Category by Month
- F. Final and Supplemental Order Authorizing the Employment and Retention of FTI Consulting, Inc. as Restructuring and Financial Advisor to the Debtors.
- G. Detail of Professional Fees for the Period June 1, 2006 through June 30, 2006; July 1, 2006 through July 31, 2006; August 1, 2006 through August 31, 2006; and September 1, 2006 through September 30, 2006.
- H. Detail of Out-of-Pocket Expenses by Professional for the Period June 1, 2006 through June 30, 2006; July 1, 2006 through July 31, 2006; August 1, 2006 through August 31, 2006; and September 1, 2006 through September 30, 2006.

Pursuant to the Administrative Order Pursuant to 11 U.S.C. §§ 105(a) and 331 Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals (the "Administrative Order") dated November 4, 2005, FTI Consulting, Inc. is filing this Application with this Court, including Exhibits A-H.

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

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In re:	:	Chapter 11
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DELPHI CORPORATION, <u>et al.</u> ,	:	Case No. 05-44481 (RDD)
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**THIRD INTERIM APPLICATION FOR ALLOWANCE OF COMPENSATION  
AND REIMBURSEMENT OF EXPENSES INCURRED BY FTI CONSULTING, INC.  
AS RESTRUCTURING AND FINANCIAL ADVISOR TO THE DEBTORS  
FOR THE PERIOD JUNE 1, 2006 THROUGH SEPTEMBER 30, 2006**

TO THE HONORABLE ROBERT D. DRAIN  
UNITED STATES BANKRUPTCY JUDGE:

FTI Consulting, Inc. (hereinafter referred to as “FTI” or the “Applicant”) moves pursuant to Sections 330 and 331 of Title 11 of the United States Bankruptcy Code (the “Bankruptcy Code”), Rule 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and the Administrative Order establishing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals dated November 4, 2005 (the “Administrative Order”), for an Order awarding reasonable interim compensation for professional services as Restructuring and Financial Advisors to the Debtors and Debtors-in-Possession (the “Debtors” or the “Company”) in the amount of \$7,483,126.56 together with reimbursement for actual and necessary expenses in the amount of \$553,976.43 for the period of June 1, 2006 through September 30, 2006, inclusive (the “Third Interim Fee Period” or the “Application Period”). In support of this application, FTI represents as follows:

**OVERVIEW**

1. These Chapter 11 cases commenced with the filing by the Debtors of Voluntary Petitions for Relief under Chapter 11 of the Bankruptcy Code on October 8, 2005 in the United States Bankruptcy Court, Southern District of New York (the “Court”). These

Chapter 11 cases are being jointly administered for procedural purposes. The Debtors continue to operate their businesses and manage their properties as debtors-in-possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

2. No trustee or examiner has been appointed in the Debtors' Chapter 11 cases. A statutory committee of unsecured creditors (the "UCC") was appointed on October 17, 2005. On April 28, 2006, an official committee of equity security holders was appointed (the "Equity Committee").

3. Pursuant to an Order of the Court dated October 14, 2005 (the "Interim Retention Order"), the Debtors were authorized to retain FTI as their restructuring and financial advisors to render advisory services in connection with these Chapter 11 cases on an interim basis, with the retention to become final following a hearing to consider any objections filed against the Debtors' application for authority to employ FTI. A hearing on FTI's retention was conducted on October 27, 2005; thereafter, the Court entered an order dated November 4, 2005 (the "Final Retention Order"), authorizing the Debtors to retain FTI as their restructuring and financial advisor in these Chapter 11 cases. The Court entered a supplemental order dated October 19, 2006 (the "Supplemental Retention Order"), authorizing the Debtors' retention of FTI as their restructuring and financial advisor to be expanded to provide economic consulting services to the Debtors, with such expansion being effective as of May 25, 2006. Copies of the Final Retention Order and the Supplemental Retention Order are attached hereto as Exhibit F. FTI also filed its First Supplemental Affidavit of Randall S. Eisenberg in support of the Retention of FTI Consulting, Inc. on February 27, 2006, its Second Supplemental Affidavit of Randall S. Eisenberg in support of the Retention of FTI Consulting, Inc. on April 26, 2006, its Third Supplemental Affidavit of Randall S. Eisenberg in support of the Retention of FTI Consulting, Inc. on July 31, 2006, and its Fourth Supplemental Affidavit of Randall S. Eisenberg in support of the Retention of FTI Consulting, Inc. on September 25, 2006.

4. This is FTI's third interim application for compensation and expense reimbursement filed in these cases. The first and second interim applications for compensation

and expense reimbursement were filed with the Court on April 27, 2006 and July 31, 2006, respectively.

5. FTI's total fees in the third interim fee application were \$8,237,402.56. FTI has taken a voluntary fee accommodation of \$754,276.00, reducing its fees to \$7,483,126.56. Included in the \$7,483,126.56 fee amount is \$1,496,625.31 that represents the 20% professional fee holdback as required in the Administrative Order for the period of June 1, 2006 through September 30, 2006. FTI seeks interim allowance of the fees and expenses in total and payment of any amounts outstanding, including the 20% holdback on professional fees.

6. As of the date hereof, pursuant to the Administrative Order, the Debtors have made payments to FTI in respect of the First Interim Fee Period totaling \$7,652,199.28, which includes the payment of 50% of the holdback in the amount \$850,244.33, for fees and \$687,569.02 for expenses. There remains outstanding \$850,244.33, which represents 50% of holdback pursuant to the Administrative Order. As of the date hereof, pursuant to the Administrative Order, the Debtors have paid to FTI related to the Second Interim Fee Period amounts totaling \$5,522,490.84, which includes the payment of 50% of the holdback in the amount \$613,610.20, for fees and \$605,524.84 for expenses. There remains outstanding \$613,610.72, which represents 50% of holdback pursuant to the Administrative Order.

7. As of the date hereof, pursuant to the Administrative Order, the Debtors have paid to FTI related to the Third Interim Fee Period amounts totaling \$4,249,829.13 for fees and \$398,401.76 for expenses as detailed in Exhibit C. Prior to the Petition Date, FTI received and continues to hold a retainer from the Debtors in the amount of \$510,256.07.

#### **SUMMARY OF SERVICES RENDERED BY FTI**

8. The Applicant has provided extensive and valuable services, contributing substantial value to the Debtors' Estate as Restructuring and Financial Advisor. The following is a summary of the significant professional services rendered by FTI during the Application Period.

##### ***01 – Fulfill Information Requests and Participate in Meetings with Prepetition Lenders***

***and their Advisors***

FTI worked with the Debtors to efficiently and effectively manage and coordinate the requests for information and meetings received from the prepetition lenders and their advisors. FTI reviewed approximately 50 specific information requests, determined who at the Company could best fulfill the request, scheduled and conducted meetings between Company personnel and the requesting party, and followed up to ensure that all information requests were appropriately fulfilled in a timely fashion. FTI played an integral role in the efficient, effective and timely dissemination of information to keep the prepetition lenders and their advisors informed of case developments.

A summary of the hours incurred and total fees by each professional for the foregoing services is provided in the following table:

<b>Name</b>	<b>Position</b>	<b>Billing Rate</b>	<b>Total Hours</b>	<b>Total Fees</b>
Eisenberg, Randall	Senior Managing Director	\$655	4.3	\$2,816.50
Guglielmo, James	Managing Director	\$590	16.0	\$9,440.00
Wehrle, David	Director	\$520	4.5	\$2,340.00
Fletemeyer, Ryan	Director	\$435	8.2	\$3,567.00
Concannon, Joseph	Consultant	\$325	12.6	\$4,095.00
Total			45.6	\$22,258.50

***02 – Cash Management & Reporting***

FTI assisted the Debtors in updating the 13-week cash flow analysis used to monitor and project the Debtors' short-term cash flow position. As noted in our prior interim fee application, FTI transitioned the production of this monthly analysis to the Delphi Treasury group. FTI still maintained an active role during this fee period in reviewing drafts of preliminary projections and providing comments and guidance to management prior to finalization of these monthly reports. Through these efforts, the Debtors are able to accurately and cost-effectively project anticipated cash inflows and outflows, manage overall liquidity and report anticipated cash flows on a regular basis to various constituents.

A summary of the hours incurred and total fees by each professional for the foregoing services is provided in the following table:

<b>Name</b>	<b>Position</b>	<b>Billing Rate</b>	<b>Total Hours</b>	<b>Total Fees</b>
Guglielmo, James	Managing Director	\$590	10.4	\$6,136.00
Fletemeyer, Ryan	Director	\$435	5.4	\$2,349.00
Concannon, Joseph	Consultant	\$325	19.3	\$6,272.50
Total			35.1	\$14,757.50

### ***03 – DIP Financing/Treasury***

As noted in our prior fee application, FTI transitioned the analysis utilized for the review and evaluation of variances between the monthly actual results and the DIP projections to the Company. The smooth transitioning of both the variance analysis and DIP projection model helped to ensure continued compliance with the DIP requirements, while reducing the costs of maintaining these analyses to the Estate. FTI continued to provide management with guidance on preparation of the variance explanations that accompany the DIP projection reports during the Third Interim Fee Period. Finally, advice was provided related to the ongoing day-to-day Treasury functions, which included assistance with required borrowing base reporting, compilation of various financial reports, analysis of working capital, development of various covenant and liquidity analyses based on sensitivities, as well as other general support.

A summary of the hours incurred and total fees by each professional for the foregoing services is provided in the following table:

<b>Name</b>	<b>Position</b>	<b>Billing Rate</b>	<b>Total Hours</b>	<b>Total Fees</b>
Guglielmo, James	Managing Director	\$590	5.5	\$3,245.00
Fletemeyer, Ryan	Director	\$435	1.1	\$478.50
Concannon, Joseph	Consultant	\$325	12.4	\$4,030.00
Park, Ji Yon	Associate	\$245	1.2	\$294.00
Total			20.2	\$8,047.50

#### ***04 – Business Plan Modeling and Analysis***

The development and presentation of financial projections, scenarios and analyses has been essential to many facets of this case, from educating various stakeholders about the Company and its Transformation Plan to critical court proceedings and negotiations. During the Third Fee Period, FTI completed the structural development of a comprehensive product business unit (“PBU”) model that will play a significant role in both the overall restructuring efforts and in the budgeting process for the Company. This model was built to provide management with income statement data on many levels, including on a PBU, divisional, core/non-core, debtor/non-debtor and consolidated basis, and to provide cash flow and balance sheet information for various business segments. Due to the scope and detailed nature of the modeling efforts, we also engaged in periodic meetings with the Company to discuss the treatment of various items in the PBU model and to conduct comprehensive review sessions. We also interacted with the Debtors’ investment banker, Rothschild, to ensure that the PBU model would provide sufficient information for future disclosure statement valuation and exit financing requirements.

The model will serve as the Company’s primary business plan consolidation tool, aiding in the development and assessment of its 2007 – 2012 financial projections, and will be used to assess the impact of various restructuring scenarios on the Company’s financial operations and the development of divisional operating targets. This model has also been designed to accommodate Fresh Start Accounting adjustments, as well as recapitalization scenarios. In addition, the financial outputs generated by this model will be included in the Disclosure Statement.

FTI’s modeling work during the Third Fee Period concentrated on three primary modules to the PBU model: (i) The Product Business Unit (“PBU”) P&L module, (ii) the Consolidation module, and (iii) the Regional module.

The PBU P&L module was designed to compile each division’s 2007 – 2012 Budget Business Plan (“BBP”) income statement submissions by PBU (approximately 30



submissions in total) into a standard output format. This standard format consists of expanding the budgeted income statement to include additional detail for expense elements, including labor and restructuring expenses. FTI developed the ability to generate multiple consolidated outputs (including the appropriate eliminations) at the PBU, divisional, total continuing/non-continuing, debtor/non-debtor and total Company levels in order to provide the Debtors visibility to manage and report on its business operations along these strategic views. In addition to compiling original divisional budget submissions, FTI built functionality to allow for overlays (or adjustments) to the budget to be driven down to the PBU level, which will be essential to rapidly incorporating potential future labor and other agreements, as well as macro environment and strategic changes into the projections. To accomplish this, FTI conducted detailed meetings with the Company to develop a view on the various types of overlays that could occur. FTI then took this knowledge and translated it into model functionality, creating the capability to incorporate various types of defined adjustments (e.g. unit volume changes, sales dollar changes, expense dollar changes) and drive these overlays down to the PBU level. In addition, FTI structured the PBU P&L module to allow for many different choices of allocation keys to drive overlays down to PBUs.

The Consolidation module was designed to develop income statement, balance sheet, and cash flow statement outputs at the consolidated company level, along with the total continuing/total non-continuing business, and total debtor/total non-debtor levels. As with the PBU P&L module, FTI developed functionality to allow for overlays to the continuing/non-continuing income statements within the Consolidation Module and also developed capabilities to forecast multiple balance sheet accounts, and to combine all such forecast elements into a cohesive balance sheet and cash flow statement forecast. Similar to the structure of the income statement, the balance sheet structure also accommodates potential future overlays. To support the input of various data elements into the Consolidation module in an efficient manner, FTI developed standardized

templates (e.g. working capital and liability walk templates) to be populated with data provided in the divisional BBP submissions. In addition to income statement, balance sheet, and cash flow statement output pages, FTI developed additional output pages and functionality to this Consolidation module.

The Regional module (or Regional OCF analysis) was designed to allow the Company to actively view the financial projections of its four operating regions (North America, South America, Europe, and Asia-Pacific). The Regional module was structured to compile each division's 2007 – 2012 budget business plan income statement submissions by region into a standard output format. This standard format consists of expanding the budgeted income statement to include additional detail for expense elements. FTI also structured the model to allow for various income statement overlays by region and developed the capability to comprehend multiple regional cash flow assumptions to generate operating cash flow statements for each region

The PBU model is a critical tool to the Debtors that will support operational and strategic management decision making, negotiations with various constituencies, exit financing and the Plan of Reorganization and Disclosure statement. FTI has made substantial, value-added contributions to the Debtors' business plan modeling efforts that will allow for the availability of timely and critical financial projection information during the course of the Company's business planning cycle and through the process of formulating a Plan of Reorganization.

A summary of the hours incurred and total fees by each professional for the foregoing services is provided in the following table:

<b>Name</b>	<b>Position</b>	<b>Billing Rate</b>	<b>Total Hours</b>	<b>Total Fees</b>
Eisenberg, Randall	Senior Managing Director	\$655	6.9	\$4,519.50
Joffe, Steven	Senior Managing Director	\$655	4.3	\$2,816.50
Frankum, Adrian	Managing Director	\$590	73.9	\$43,601.00
Kuby, Kevin	Managing Director	\$590	2.0	\$1,180.00
Emrikian, Armen	Director	\$495	386.3	\$191,218.50
Pokrassa, Michael	Director	\$435	503.0	\$218,805.00

<b>Name</b>	<b>Position</b>	<b>Billing Rate</b>	<b>Total Hours</b>	<b>Total Fees</b>
Dana, Steven	Consultant	\$385	548.1	\$211,018.50
Tamm, Christopher	Consultant	\$355	115.0	\$40,825.00
Concannon, Joseph	Consultant	\$325	0.4	\$130.00
Amico, Marc	Associate	\$245	2.5	\$612.50
McDonagh, Timothy	Associate	\$245	87.2	\$21,364.00
Schondelmeier, Kathryn	Associate	\$245	4.0	\$980.00
Sub-total			1,733.6	\$737,070.50
Fee Accommodation				(\$3,000.00)
Total			1,733.6	\$734,070.50

### ***05 – Budget Development***

The Company is enhancing and refining its budgeting process to more directly reflect the recent realignment of product lines to divisions within the organizational structure. FTI assisted the Company in defining its new budget process, related information requirements, and timing required to gather, analyze and compile divisional budget information in preparation for developing its 2007-2012 Budget Business Plan (“BBP”). Specific FTI activities included defining budget requirements, assisting with the development of the BBP timeline and modifications to income statement and balance sheet templates to be populated by the divisions with their BBP submissions.

FTI developed an integrated template file that facilitated different types of income statement submissions required from the divisions. Additional functionality was built to allow for estimates of quarterly 2008 amounts and functionality created to manage submissions. In the same template file, FTI also created a balance sheet submission template, allowing each division to specify working capital balances by division. Finally, functionality was built to calculate working capital days by region and by division based on the divisional submissions for further use in the Consolidation module and Regional module.

FTI’s work in assisting the Debtors stream-line and improve their business planning process was critical to ensuring a more efficient and meaningful budgeting process. In addition, the Company will have a more robust budgeting tool than it has

maintained in prior years, driving greater accountability, understanding, and better information for decision making purposes.

A summary of the hours incurred and total fees by each professional for the foregoing services is provided in the following table:

<b>Name</b>	<b>Position</b>	<b>Billing Rate</b>	<b>Total Hours</b>	<b>Total Fees</b>
Eisenberg, Randall	Senior Managing Director	\$655	10.0	\$6,550.00
Frankum, Adrian	Managing Director	\$590	19.0	\$11,210.00
Guglielmo, James	Managing Director	\$590	31.1	\$18,349.00
Emrikian, Armen	Director	\$495	65.2	\$32,274.00
Fletemeyer, Ryan	Director	\$435	16.2	\$7,047.00
Pokrassa, Michael	Director	\$435	34.4	\$14,964.00
Dana, Steven	Consultant	\$385	15.6	\$6,006.00
Tamm, Christopher	Consultant	\$355	3.9	\$1,384.50
McDonagh, Timothy	Associate	\$245	13.1	\$3,209.50
Total			208.5	\$100,994.00

#### ***19 – Key Employee Compensation Program***

FTI expended time during this fee period reviewing information prepared by the Debtors related to the second half of 2006 Operating Plan targets and Annual Incentive Plan items. FTI also met with management to provide strategic advice and guidance as to the Debtor’s communication process to external constituents with respect to the Annual Incentive Plan.

FTI assisted the Debtors and outside counsel in fulfilling and updating all document production inquiries from various interested parties related to the Key Employee Compensation Program (“KECP”). This process was well organized using the virtual data room site previously set up for this purpose in which information responsive to the numerous requests from the various objecting parties to the motion, and other key constituents, was made available. In providing this service, FTI worked with Company representatives and Debtors’ Counsel in refreshing the data site with information responsive to external inquiries, organizing the document flow and providing appropriate parties access to the information.

A summary of the hours incurred and total fees by each professional for the foregoing services is provided in the following table:

<b>Name</b>	<b>Position</b>	<b>Billing Rate</b>	<b>Total Hours</b>	<b>Total Fees</b>
Eisenberg, Randall	Senior Managing Director	\$655	5.4	\$3,537.00
Guglielmo, James	Managing Director	\$590	2.3	\$1,357.00
Fletemeyer, Ryan	Director	\$435	1.2	\$522.00
Band, Alexandra	Consultant	\$250	0.3	\$75.00
Total			9.2	\$5,491.00

***20 – 1113/1114 Analysis and Negotiations Pertaining to Collective Bargaining Agreements***

FTI expended valuable time assisting the Debtors in negotiations with its Unions and in the 1113/1114 process during this fee period. In connection with the Debtors' commencement of the 1113/1114 hearings in May and continuing into June, FTI played important roles in advising the Debtors during labor strategy meetings; preparing and reviewing declarations of both FTI and Debtor personnel, assisting with trial preparation and development of demonstratives, attending the hearings and testifying as witnesses in support of the Debtors' motions, and communicating with the various financial advisors to the Unions to facilitate negotiations with the parties during the period.

FTI supported the 1113/1114 process through the deposition and testimony of FTI professionals Randall S. Eisenberg and James K. Guglielmo as experts and fact witnesses in support of these motions. Significant value was also provided during this period in preparing these FTI professionals and other declarants of the Debtors as witnesses, attending the various hearings and participating in strategy discussions before, during and after each hearing day.

While the 1113/1114 hearings were adjourned in early June 2006 in order to facilitate a consensual negotiation process, FTI's has continued to assist the Debtors in keeping the Union's financial advisors informed of new developments in the case,

fulfilling information requests from the Unions and their advisors for financial, operational and labor-related data, all of which has assisted in lending to constructive dialogue and negotiations between the Debtors and the Unions. FTI has been tasked to coordinate information sharing with both Chanin for the IUE-CWA and Potok for the USW. In this process, FTI reviewed the specific information requests from these two firms, determined who at the Company could best fulfill the request, scheduled and conducted meetings between Company personnel and the requesting party and followed-up to ensure that all information requests were appropriately fulfilled in a timely fashion.

During this period, FTI arranged for and participated in at least 10 meetings or conference calls with Chanin representatives and reviewed and forwarded approximately 20 documents and/or data files relative to their specific information requests. Similarly, FTI arranged for and participated in four conference calls with Potok to update them relative to significant case matters including updated Delphi forecasts, divestiture activity and stakeholder negotiations. FTI was particularly active in the Debtor's labor negotiations sessions with representatives of Chanin and the IUE-CWA national and local bargaining teams regarding the Warren, Ohio facility. Key labor issues involved product line transitions, use of temporary laborers and competitive wage rates, which called for specific financial analyses and discussions between principals and advisors.

A summary of the hours incurred and total fees by each professional for the foregoing services is provided in the following table:

<b>Name</b>	<b>Position</b>	<b>Billing Rate</b>	<b>Total Hours</b>	<b>Total Fees</b>
Eisenberg, Randall	Senior Managing Director	\$655	91.4	\$59,867.00
Caruso, Robert	Senior Managing Director	\$610	6.1	\$3,721.00
Guglielmo, James	Managing Director	\$590	150.9	\$89,031.00
Kuby, Kevin	Managing Director	\$590	4.2	\$2,478.00
Emrikian, Armen	Director	\$495	1.0	\$495.00
Wu, Christine	Director	\$465	3.8	\$1,767.00
Fletemeyer, Ryan	Director	\$435	106.4	\$46,284.00
Pokrassa, Michael	Director	\$435	3.2	\$1,392.00
Concannon, Joseph	Consultant	\$325	0.8	\$260.00
Ingle, Suann	Director	\$275	1.0	\$275.00

<b>Name</b>	<b>Position</b>	<b>Billing Rate</b>	<b>Total Hours</b>	<b>Total Fees</b>
Park, Ji Yon	Associate	\$245	1.3	\$318.50
Waters, John	Consultant	\$200	2.0	\$400.00
Total			372.1	\$206,288.50

## ***22 – A/P Cutoff, Postpetition Operations and Accounting***

During the Third Interim Fee Period, FTI assisted the Debtors in various operational and accounting matters. In particular, FTI was instrumental in advising the Company on and developing a process to apply prepetition, unapplied wire payments to outstanding payables. As part of this process, FTI worked seamlessly with both Company personnel and Counsel to navigate various complicating factors, including the impact on reclamation demands, potential set-offs and payments made to certain claimants and their affiliates. The proper application of these payments is essential to determining appropriate claim amounts and distributions in accordance with bankruptcy requirements.

FTI was also asked to assist the Company in reviewing certain post-petition intercompany cross-charge activity. This review, which spanned information maintained in three separate and distinct financial systems and includes seven accounts, required FTI to develop a methodical approach along with the Debtors to analyze the cross-charge transactions. In connection with this process, FTI began an analysis of transactions booked to the cross-charge accounts, as well as of the related Consolidated Journal Vouchers (“CJVs”). FTI worked with the Debtors in developing an understanding of the systems and accounting methodologies in use which necessitated us conducting frequent working sessions with the Debtors’ personnel. This work identified certain programming adjustments which will impact future periods.

In addition, at the Debtors’ request, FTI updated its presentation to management on post-petition accounting and Fresh Start Accounting matters. FTI met with the Company to review these matters, to begin planning and preparation efforts relating to implementing them within their accounting process, and to work through the related

audit, asset valuation and disclosure statement issues. These services, and our work with the Company regarding wire payment applications and review of certain intercompany account activity as noted above, were necessary in assisting the Debtors address various post-petition financial and bankruptcy reporting matters.

A summary of the hours incurred and total fees by each professional for the foregoing services is provided in the following table:

<b>Name</b>	<b>Position</b>	<b>Billing Rate</b>	<b>Total Hours</b>	<b>Total Fees</b>
Eisenberg, Randall	Senior Managing Director	\$655	14.5	\$9,497.50
Caruso, Robert	Senior Managing Director	\$610	3.8	\$2,318.00
Imburgia, Basil	Senior Managing Director	\$595	1.8	\$1,071.00
Frankum, Adrian	Managing Director	\$590	43.6	\$25,724.00
Remnitz, David	Senior Managing Director	\$575	1.4	\$805.00
Perfetti, Lisa	Managing Director	\$475	408.2	\$193,895.00
Teakram, Harry	Director	\$425	543.7	\$231,072.50
O'Malley, Stephen	Director	\$400	33.6	\$13,440.00
Kim, John	Consultant	\$385	149.9	\$57,711.50
Kocica, Anthony	Consultant	\$310	485.5	\$150,505.00
Chen, Laura	Consultant	\$295	48.2	\$14,219.00
Ng, Joseph	Consultant	\$280	2.0	\$560.00
Sub-total			1,736.2	\$700,818.50
Fee Accommodation				(\$2,000.00)
Total			1,736.2	\$698,818.50

### ***23 – Claims Management***

FTI is assisting the Debtors' Claims Resolution Team in their efforts to reconcile, object to, estimate allowed values, and resolve proofs of claims filed against the Debtors in this Chapter 11 proceeding. The Claims Resolution Team is largely comprised of Debtor personnel as well as staff from a temporary employment agency, supported by professionals from Skadden and FTI. Due to the complexity of these cases, the large number of creditors who filed proofs of claim against the Debtors and a high number of cross functional issues that need to be considered as part of the reconciliation (including creditor settlements, postpetition payments, reclamations, etc.), FTI assembled a team of professionals with significant experience in complex bankruptcy claims reconciliation to



assist the Debtors in this area. To date, creditors have filed over 16,400 proofs of claim in these cases that require reconciliation.

FTI's assistance in the claims management area includes all aspects of claims management and claims resolution. Utilizing our bankruptcy Claims Management System ("CMS"), FTI has established a multi-user, computer information system environment designed to manage the Debtors' scheduled liabilities and proofs of claim. The Debtors use and rely on CMS to track the progress and status of each proof of claim, perform analysis of claims, object to claims and generate various management reports. The CMS database server and software is available via a secure internet protected environment that provides the Debtors and their advisors access to claims related information and enables the Debtors to increase personnel resources as necessary to meet the requirements and deadlines of the cases.

In addition to maintaining CMS for the Debtors, FTI also assisted the Debtors establish and manage the claims resolution process. This includes (i) assisting in the preparation of claims resolution protocols and training materials describing in detail the claims resolution process and resolution tasks to be completed; (ii) conducting multiple training sessions for Claims Resolution Team members in order to train personnel on the process and the tasks associated with claims reconciliation, including tracking claim resolutions, identifying claims for objection and reporting on claims; and (iii) participation in working sessions with the Debtors and counsel to resolve issues regarding case specific complexities and also to advise the Debtors with respect to timing and resource needs.

FTI also performed various analytical and database management tasks including, (i) generating reports on each claim batch, including duplication and schedule matching reports, nature of claim triage reports and claim status used by the Claims Resolution Team to manage the resolution process; (ii) developing and generating management reports that summarize the claims population and identify the status and progress of the

reconciliation process; (iii) performing data analytics such as complex database queries to identify data exceptions, identify proof of claim to schedule matching, identify claims requiring objection, and adding additional data fields into CMS as required.

Also during this Application period, FTI began to assist the Debtors and their counsel file the first of many claims objections and perform additional complex analyses pertaining to claims. During this period, FTI's Claim Management professionals assisted the Debtors file the First Omnibus Objection to Certain Duplicate and Amended Claims and Equity Claims. This assistance included (i) development of protocols to determine proper treatment of claims to be objected to; (ii) identification of claims meeting the objection criteria; (iii) performing due diligence on claims that were the subject to the objection; and (iv) generating objection exhibits and mail files for the over 3,500 claims associated with this objection. In addition, we also assisted the Debtors with their analysis of and generating claim exhibits for a motion to deem certain claims timely filed.

Lastly, to assist the Debtors facilitate their framework discussions, FTI began to assist the Debtors in the process of developing preliminary estimates of allowed claim amounts. This entailed assistance in development of procedures required to estimate claims, reviewing claims for proper categorization, identification of claims that are partially unliquidated, and commencement of due diligence regarding the Debtors' prepared claim estimates. During this period, FTI and the Debtor reviewed over 2,700 claims to ensure proper claim categorization.

A summary of the hours incurred and total fees by each professional for the foregoing services is provided in the following table:

<b>Name</b>	<b>Position</b>	<b>Billing Rate</b>	<b>Total Hours</b>	<b>Total Fees</b>
Eisenberg, Randall	Senior Managing Director	\$655	19.4	\$12,707.00
Koskiewicz, John	Senior Managing Director	\$595	4.2	\$2,499.00
Behnke, Thomas	Managing Director	\$590	532.9	\$314,411.00
Frankum, Adrian	Managing Director	\$590	2.7	\$1,593.00
Guglielmo, James	Managing Director	\$590	0.9	\$531.00
Wehrle, David	Director	\$520	46.1	\$23,972.00

<b>Name</b>	<b>Position</b>	<b>Billing Rate</b>	<b>Total Hours</b>	<b>Total Fees</b>
Fletemeyer, Ryan	Director	\$435	0.7	\$304.50
Gildersleeve, Ryan	Director	\$435	414.9	\$180,481.50
Robinson, Josh	Director	\$435	0.5	\$217.50
Stevning, Johnny	Consultant	\$385	24.8	\$9,548.00
Summers, Joseph	Consultant	\$385	502.8	\$193,578.00
Nathan, Robert	Consultant	\$355	3.3	\$1,171.50
Triana, Jennifer	Consultant	\$355	525.4	\$186,517.00
Concannon, Joseph	Consultant	\$325	47.7	\$15,502.50
Gujral, Pankaj	Consultant	\$325	158.5	\$51,512.50
Molina, Robert	Consultant	\$325	44.7	\$14,527.50
Lewandowski, Douglas	Associate	\$280	32.1	\$8,988.00
McKeighan, Erin	Associate	\$215	118.7	\$25,520.50
Sub-total			2,480.3	\$1,043,582.00
Fee Accommodation				(\$30,000.00)
Total			2,480.3	\$1,013,582.00

## ***25 - Court Attendance and Expert Witness Testimony***

FTI prepared for and attended various Omnibus and motion specific Bankruptcy Court hearings during the Third Interim Fee Period. We advised the Debtors and Counsel as part of various strategic discussions held before, during and immediately after hearings. Various documents filed with the Court were also reviewed, as needed, to prepare for hearings and advise the Debtors, as necessary.

A summary of the hours incurred and total fees by each professional for the foregoing services is provided in the following table:

<b>Name</b>	<b>Position</b>	<b>Billing Rate</b>	<b>Total Hours</b>	<b>Total Fees</b>
Eisenberg, Randall	Senior Managing Director	\$655	28.9	\$18,929.50
Total			28.9	\$18,929.50

## ***28 - First Day Orders related to Suppliers – Implementation and Compliance***

FTI provided assistance to the Debtors in connection with the First Day Orders related to suppliers. Such assistance was critical to maintaining an uninterrupted flow of critical parts, supplies, and services to the Debtors' operations. Since the October 8, 2005 filing date, the Debtors have received nearly 1,700 requests for payment representing

estimated claims under the various supplier-related orders relating to Contract Labor (pursuant to the Human Capital Order); Essential Suppliers; Foreign Creditors; Lienholders; and Shippers, Warehousemen & Customs Brokers, many of which were still being analyzed during the Third Interim Fee Period. FTI assisted the Debtors in examining supplier requests as applicable to each of the Orders, routing the claims to the appropriate personnel for resolution, and monitoring the case backlog and payments by Order. Guidance to the Debtors was provided regarding criteria to be used in determining whether a supplier was eligible for payment of its prepetition claim under one of these Orders and assistance was provided in analyzing each supplier's specific situation. FTI also participated in the motion review committee that evaluated and approved requests for payment under various supplier-related Orders entered by the Court. In addition, FTI coordinated the collection of data used to track open, rejected, and approved claims, reviewed the accuracy and completeness of the tracking data, and prepared reports as to the status of open claims and payments as defined in the Orders. Finally, FTI assisted the Debtors with the development of a process to review requested preference waivers for certain prepetition payments under the amended Essential Supplier Order.

FTI's efforts in this category supported the Debtors in closely monitoring and properly evaluating requests under the key supplier-related First Day Orders which substantially aided the Estate in maintaining a stabilized supply chain.

A summary of the hours incurred and total fees by each professional for the foregoing services is provided in the following table:

<b>Name</b>	<b>Position</b>	<b>Billing Rate</b>	<b>Total Hours</b>	<b>Total Fees</b>
Wehrle, David	Director	\$520	60.7	\$31,564.00
Weber, Eric	Consultant	\$355	263.6	\$93,578.00
Molina, Robert	Consultant	\$325	1.4	\$455.00
McDonagh, Timothy	Associate	\$245	0.6	\$147.00
Total			326.3	\$125,744.00

***29 - First Day Orders related to all Other Motions (Non-Supplier) – Implementation and Compliance***

During this fee period, FTI continued to assist the Debtors with implementation of various First Day Orders. FTI coordinated with the Debtors and the Debtors' Counsel to administer and track prepetition payments made pursuant to the First Day Orders granted by the Court. In doing so, assistance was provided to the Debtors and Debtors' Counsel with defining and implementing an internal approval process for payment of prepetition amounts pursuant to First Day Orders and then evaluating various requests for consideration.

FTI's efforts in this category allowed the Debtors to use the relief granted appropriately, continue operations without material interruption in the postpetition environment, and also manage its operations in accordance with the authority granted under the First Day Orders.

A summary of the hours incurred and total fees by each professional for the foregoing services is provided in the following table:

<b>Name</b>	<b>Position</b>	<b>Billing Rate</b>	<b>Total Hours</b>	<b>Total Fees</b>
Guglielmo, James	Managing Director	\$590	1.1	\$649.00
Fletemeyer, Ryan	Director	\$435	11.7	\$5,089.50
Total			12.8	\$5,738.50

***30 – Assistance with various Motions***

FTI assisted the Debtors and Debtors' Counsel with reviewing and analyzing certain financial analyses and other data related to various motions that have been filed such as the IT Outsourcing motion and other real estate or lease-related notices. In performing these analyses, FTI met with the appropriate Debtor personnel and Counsel, discussed the costs and benefits of the relief being sought, and reviewed the underlying

calculations and supporting data. The inclusion of this financial data within these motions was important in providing accurate facts and circumstances to the Court.

A summary of the hours incurred and total fees by each professional for the foregoing services is provided in the following table:

<b>Name</b>	<b>Position</b>	<b>Billing Rate</b>	<b>Total Hours</b>	<b>Total Fees</b>
Frankum, Adrian	Managing Director	\$590	3.6	\$2,124.00
Guglielmo, James	Managing Director	\$590	5.9	\$3,481.00
Wehrle, David	Director	\$520	1.0	\$520.00
Wu, Christine	Director	\$465	0.2	\$93.00
Fletemeyer, Ryan	Director	\$435	8.1	\$3,523.50
Total			18.8	\$9,741.50

### ***31 - Customer Contract Analysis***

In conjunction with earlier efforts related to the Debtors' Customer Contract Analysis, FTI assisted the Company with the continuing development of its legal and financial strategy. FTI participated in numerous meetings and conference calls with Company personnel and its advisors to discuss possible strategic courses of action and the potential impact on the Debtors of those various strategies.

FTI expended effort during this period in preparing the Debtors' witnesses for depositions and responding to various discovery requests. Additionally, we also prepared for opposing expert testimony with the Debtors and its advisors, considered strategic approaches and the development of appropriate responses given the opposing expert report, related testimony, and objections filed by General Motors to the Debtors' initial customer contract rejection motion.

FTI also assisted with the development of various analyses and demonstratives to be potentially used in the evidentiary hearings. To further these efforts, FTI compiled financial data and developed illustrative analyses. Finally, FTI performed additional reviews and sensitivities to the customer contract analysis to take into consideration various events that may potentially impact the initial analysis that was developed to

support the Section 365 customer contract rejection motion and related court filings. FTI's involvement and advice to the Debtors in this area has been critical in order to ensure legal contingency plans are in place while the Company attempts to consensually negotiate its commercial contracts and framework for reorganization with General Motors and other stakeholders.

A summary of the hours incurred and total fees by each professional for the foregoing services is provided in the following table:

<b>Name</b>	<b>Position</b>	<b>Billing Rate</b>	<b>Total Hours</b>	<b>Total Fees</b>
Eisenberg, Randall	Senior Managing Director	\$655	26.5	\$17,357.50
Caruso, Robert	Senior Managing Director	\$610	48.5	\$29,585.00
Frankum, Adrian	Managing Director	\$590	1.6	\$944.00
Guglielmo, James	Managing Director	\$590	0.5	\$295.00
Kuby, Kevin	Managing Director	\$590	280.4	\$165,436.00
Wehrle, David	Director	\$520	0.7	\$364.00
Emrikian, Armen	Director	\$495	1.3	\$643.50
Fletemeyer, Ryan	Director	\$435	0.2	\$87.00
Karamanos, Stacy	Consultant	\$385	243.1	\$93,593.50
Weber, Eric	Consultant	\$355	39.6	\$14,058.00
Hofstad, Ivo	Associate	\$265	1.0	\$265.00
Total			643.4	\$322,628.50

### ***34 – Restructuring Strategy***

Senior professionals at FTI participated in regular meetings with key advisors and senior management to discuss and advise on a multitude of strategic restructuring issues throughout the case. In addition, the FTI senior-level team members met periodically to review key issues in the case so as to both advise our client on various issues and to operate in a coordinated and efficient manner. Finally, FTI professionals assisted the Debtors in preparing certain information and analyses for meetings held among the senior management and its advisors. These services were essential to ensure that issues were thoroughly discussed, views relating to them were formed after discussing appropriate strategic and tactical considerations, and that actions taken with respect to them were consistent in approach and coordinated.

A summary of the hours incurred and total fees by each professional for the foregoing services is provided in the following table:

<b>Name</b>	<b>Position</b>	<b>Billing Rate</b>	<b>Total Hours</b>	<b>Total Fees</b>
Eisenberg, Randall	Senior Managing Director	\$655	44.8	\$29,344.00
Joffe, Steven	Senior Managing Director	\$655	0.5	\$327.50
Behnke, Thomas	Managing Director	\$590	2.3	\$1,357.00
Frankum, Adrian	Managing Director	\$590	3.8	\$2,242.00
Guglielmo, James	Managing Director	\$590	9.1	\$5,369.00
Kuby, Kevin	Managing Director	\$590	3.0	\$1,770.00
Janecek, Darin	Managing Director	\$545	0.8	\$436.00
Wehrle, David	Director	\$520	2.1	\$1,092.00
Emrikian, Armen	Director	\$495	3.3	\$1,633.50
Turbedsky, Jeffrey	Director	\$495	0.9	\$445.50
Wu, Christine	Director	\$465	3.0	\$1,395.00
Fletemeyer, Ryan	Director	\$435	7.3	\$3,175.50
Pokrassa, Michael	Director	\$435	1.0	\$435.00
Total			81.9	\$49,022.00

### ***35 – Monthly Operating Reports***

During the Third Interim Fee Period, FTI worked closely with the Debtors to review and analyze each of the Monthly Operating Reports required to be filed with the Bankruptcy Court. As part of this process, analysis was performed on significant variances from prior months and footnotes and disclosures were reviewed. In addition, FTI participated in meetings with the Debtors on the review of various other matters relating to the Monthly Operating Reports and provided advice on such matters in the context of a Chapter 11 filing.

A summary of the hours incurred and total fees by each professional for the foregoing services is provided in the following table:

<b>Name</b>	<b>Position</b>	<b>Billing Rate</b>	<b>Total Hours</b>	<b>Total Fees</b>
Eisenberg, Randall	Senior Managing Director	\$655	1.5	\$982.50
Frankum, Adrian	Managing Director	\$590	13.2	\$7,788.00
Total			14.7	\$8,770.50



***36 – Framework Analysis, Negotiations and Plan of Reorganization (“POR”)/  
Disclosure Statement***

FTI provided valuable support to the Debtors during this fee period assisting in many aspects of the framework negotiations and the underlying financial projections supporting these stakeholder discussions. The framework term sheet and associated projections form the foundation that will eventually evolve into a consensual plan with Delphi’s stakeholders; therefore, FTI’s support and advice to the Debtor in this key area has been essential to the prospects of a successful reorganization. In addition, we have been instrumental in commencing analyses relevant to forming a confirmable POR in areas such as substantive consolidation and hypothetical liquidation.

FTI provided value-added assistance to the Debtors in relation to the framework negotiations between various stakeholders. The framework analyses developed by the Debtors, with the assistance of both Rothschild and FTI, utilize the existing Competitive Benchmark proposal model, updates for current financial forecasts, and the negotiated term sheet items between the Debtors and key constituents. FTI’s guidance and advice was essential during this process due to our familiarity with the Debtors’ existing business models, recent financial results and liquidity trends, as well as our active participation with key stakeholders. FTI assisted the Debtor with its modeling efforts, performed sensitivity analyses on working capital trends, analyzed specific cash analyses and also worked cohesively with Rothschild in bridging the framework projections to the preliminary Recapitalization Model which was generated to further support the negotiation process.

During this period, FTI also participated in many sessions with the Debtors, its advisors and other key stakeholders in negotiating the framework terms for a consensual POR. We provided the Debtors with significant strategic and financial advice in navigating through a complicated set of negotiations. FTI also assisted the Debtors in participating in many due diligence sessions regarding the framework analyses with the

financial advisors of these stakeholders. These work sessions were invaluable to the advisor groups in reviewing and understanding the Debtors' detailed projections, becoming more familiar with Delphi's management team and provided a strong sense of collaboration and cooperation amongst all of the parties.

During this fee period and under direction of Debtor's Counsel, FTI began preparation of a preliminary substantive consolidation analysis, for use in both negotiations with the Debtor's constituencies and in developing a Plan of Reorganization. In this capacity, FTI collaborated with Debtors' Counsel to develop an initial workplan for the project, which identified specific areas of focus and the required steps to analyze and assemble information necessary to assess substantive consolidation criteria. FTI also commenced performing the steps outlined in the Phase I workplan. As part of this effort, FTI prepared various analyses and held regular telephonic conferences with Debtors' Counsel throughout the process to discuss progress, key findings and next steps.

During the Application Period, FTI also assisted each of the Debtors in preparing a preliminary draft of a hypothetical Chapter 7 liquidation analysis, the final version of which will ultimately be included in the Disclosure Statement as required by the Bankruptcy Code. This detailed analysis included the development of a comprehensive and iterative model to calculate expected distributions that would be made to each class of creditors for each of the 42 Debtor entities in a Chapter 7 liquidation.

In performing the hypothetical liquidation analyses, FTI developed assumptions through consultation with the Debtor, its counsel and other advisors. In this process, FTI conducted numerous interviews with Company personnel, reviewed and evaluated Company financial statements and supporting schedules, analyzed various third party appraisals, and utilized its industry experience to estimate liquidation values for each of the different types of assets of the Debtors' companies.

FTI also commenced the development of a wind-down cost analysis for plant closures and other activities needed for the hypothetical shutdown of operations, as well as other costs of liquidation such as trustee and professional fees.

Finally, FTI assisted in the estimation of claims under a hypothetical Chapter 7 liquidation based on an analysis of scheduled claims against the estate, filed claims, and claims that could arise as a result of liquidation, in order to evaluate the potential return to creditors in a hypothetical Chapter 7 liquidation scenario. All of these activities were essential to maintaining the Debtors' timeline for filing a Plan of Reorganization and for compliance with the Bankruptcy Code.

A summary of the hours incurred and total fees by each professional for the foregoing services is provided in the following table:

<b>Name</b>	<b>Position</b>	<b>Billing Rate</b>	<b>Total Hours</b>	<b>Total Fees</b>
Eisenberg, Randall	Senior Managing Director	\$655	195.5	\$128,052.50
Koskiewicz, John	Senior Managing Director	\$595	68.7	\$40,876.50
Behnke, Thomas	Managing Director	\$590	4.6	\$2,714.00
Frankum, Adrian	Managing Director	\$590	177.7	\$104,843.00
Guglielmo, James	Managing Director	\$590	96.6	\$56,994.00
Kuby, Kevin	Managing Director	\$590	4.9	\$2,891.00
Emrikian, Armen	Director	\$495	61.0	\$30,195.00
Turbedsky, Jeffrey	Director	\$495	23.5	\$11,632.50
Wada, Jarod	Director	\$495	245.3	\$121,423.50
Li, Danny	Director	\$465	192.5	\$89,512.50
Wu, Christine	Director	\$465	86.1	\$40,036.50
Fletemeyer, Ryan	Director	\$435	62.5	\$27,187.50
Gildersleeve, Ryan	Director	\$435	4.1	\$1,783.50
Pokrassa, Michael	Director	\$435	102.9	\$44,761.50
Robinson, Josh	Director	\$435	7.5	\$3,262.50
Dana, Steven	Consultant	\$385	1.9	\$731.50
Karamanos, Stacy	Consultant	\$385	261.6	\$100,716.00
Krieg, Brett	Consultant	\$355	274.0	\$97,270.00
Concannon, Joseph	Consultant	\$325	9.0	\$2,925.00
Lewandowski, Douglas	Associate	\$280	8.5	\$2,380.00
Hofstad, Ivo	Associate	\$265	5.5	\$1,457.50
McDonagh, Timothy	Associate	\$245	1.1	\$269.50
Swanson, David	Associate	\$245	197.3	\$48,338.50
Sub-total			2,092.3	\$960,254.00
Fee Accommodation				(\$25,000.00)
Total			2,092.3	\$935,254.00

### ***38 – Reclamations***

During the Third Interim Fee Period, FTI worked with the Debtors to continue Phase IV of the reclamations process. During this Phase FTI assisted the Debtors in: (i) supervising the claims management process; (ii) responding to supplier inquiries and disputes; (iii) evaluating and reconciling claims; (iv) reviewing claim amendments to ensure consistency and accuracy; (v) preparing amended Statements of Reclamation; (vi) negotiating settlement agreements; and (vii) coordinating data retrieval from other supplier-related processes to incorporate it into the reclamations process. Throughout the Application Period, FTI was actively involved in supplier negotiations, including discussions with suppliers, suppliers' counsel, Debtors' Counsel and Delphi Global Supply Management representatives. In addition, FTI provided daily support to 6-12 reclamation case managers and related support teams, and coordinated activities with the Claims Resolution Team.

Throughout the reclamations process, FTI ensured that management of the Debtors, as well as Debtors' Counsel, were apprised of the status of the reclamations process and of any issues that required attention. Daily and weekly tracking, monitoring and reporting was prepared and distributed regarding the reclamations process. In addition, FTI prepared reports for and participated in weekly meetings with Debtors' Counsel and the Debtors' reclamation team to ensure that issues were identified and addressed in a timely manner.

Delphi's reclamation claims process is one of the largest in history. The Debtors received 855 reclamation claims, which represented over 100,000 invoice lines of data and \$287 million of potential administrative claims. FTI's work on the reclamations process has been essential to the smooth and equitable resolution of approximately 85% of the claims received.

A summary of the hours incurred and total fees by each professional for the foregoing services is provided in the following table:

<b>Name</b>	<b>Position</b>	<b>Billing Rate</b>	<b>Total Hours</b>	<b>Total Fees</b>
Eisenberg, Randall	Senior Managing Director	\$655	2.2	\$1,441.00
Caruso, Robert	Senior Managing Director	\$610	0.7	\$427.00
Frankum, Adrian	Managing Director	\$590	74.9	\$44,191.00
Wehrle, David	Director	\$520	0.5	\$260.00
Wu, Christine	Director	\$465	395.1	\$183,721.50
McDonagh, Timothy	Associate	\$245	363.0	\$88,935.00
Total			836.4	\$318,975.50

***44 – Fulfill Information Requests and Participate in Meetings with Unsecured Creditors Committee (“UCC”) and its Advisors***

FTI provided significant value to the Estate in coordinating and fulfilling numerous requests from the UCC and its advisors for financial and operational data pertaining to the Debtors. On a monthly basis, FTI assisted the Debtors and Counsel in the preparation and presentation of extensive presentation materials for the scheduled monthly meetings with the UCC and its advisors regarding the status of the Debtors’ reorganization, significant case updates and key issues.

On an ongoing basis, FTI also worked with the Company to efficiently and effectively manage, coordinate and fulfill the requests for information and meetings/conference calls received from the financial advisors to the UCC. FTI reviewed specific information requests, determined who at the Company could best fulfill the request, scheduled and conducted meetings between Company personnel and the requesting party, and followed up to ensure that information requests were appropriately responded to. During this four-month fee period ending September 2006, FTI had, on behalf of the Debtors, reviewed and provided to the UCC’s advisors approximately 260 individual documents (approximately 850 documents since inception of the case) related to various information requests received on topics including, but not limited to, First Day Order Compliance, supplier management issues (including the contract assumption motion), Transformation Plan support, framework projections and analyses, labor and

attrition-related statistics, reclamations data, customer setoff materials, and settlement procedures reporting.

FTI has also organized and created presentations for numerous on-site and telephonic conference meetings with the UCC advisors and various key personnel in the Debtors' organization to be responsive to the UCC's inquiries of the Debtors and its business dealings. FTI's efforts in this area have assisted the Debtors in keeping the UCC and their representatives informed of new developments in the case and helped to maintain an effective working relationship with the UCC and their representatives by coordinating information requests and serving as the liaison to the UCC's financial advisor.

A summary of the hours incurred and total fees by each professional for the foregoing services is provided in the following table:

<b>Name</b>	<b>Position</b>	<b>Billing Rate</b>	<b>Total Hours</b>	<b>Total Fees</b>
Eisenberg, Randall	Senior Managing Director	\$655	103.9	\$68,054.50
Behnke, Thomas	Managing Director	\$590	54.2	\$31,978.00
Frankum, Adrian	Managing Director	\$590	64.3	\$37,937.00
Guglielmo, James	Managing Director	\$590	143.6	\$84,724.00
Kuby, Kevin	Managing Director	\$590	50.2	\$29,618.00
Wehrle, David	Director	\$520	39.5	\$20,540.00
Emrikian, Armen	Director	\$495	3.7	\$1,831.50
Wu, Christine	Director	\$465	67.2	\$31,248.00
Fletemeyer, Ryan	Director	\$435	258.7	\$112,534.50
Gildersleeve, Ryan	Director	\$435	43.4	\$18,879.00
Pokrassa, Michael	Director	\$435	8.0	\$3,480.00
Karamanos, Stacy	Consultant	\$385	9.3	\$3,580.50
Summers, Joseph	Consultant	\$385	33.8	\$13,013.00
Triana, Jennifer	Consultant	\$355	32.1	\$11,395.50
Weber, Eric	Consultant	\$355	25.4	\$9,017.00
Concannon, Joseph	Consultant	\$325	11.8	\$3,835.00
McDonagh, Timothy	Associate	\$245	27.4	\$6,713.00
Panoff, Christopher	Associate	\$245	1.0	\$245.00
Schondelmeier, Kathryn	Associate	\$245	1.6	\$392.00
McKeighan, Erin	Associate	\$215	3.4	\$731.00
Sub-total			982.5	\$489,746.50
Fee Accommodation				(\$6,000.00)
Total			982.5	\$483,746.50

#### ***48 - Set-off Analysis***

As part of the DIP Financing Order, the Court established procedures for the Debtors to follow with respect to customer set-off claims. Since the filing date, the Debtors have received over 90 set-off claims. FTI participated in weekly meetings with the Debtors and Counsel to monitor and respond to these numerous set-off requests. FTI worked with the Debtors at these meetings to ascertain the appropriateness of the set-off requests and assisted in developing summary reconciliations between the Debtors' detailed transaction records and set-off requests from claimants. As a result of these efforts, the Debtors have been able to resolve 44 of the setoff requests, of which approximately 20 were resolved during this fee application period. FTI's assistance in this process was instrumental to the Debtors in carefully evaluating and resolving these claims through the Court approved process.

A summary of the hours incurred and total fees by each professional for the foregoing services is provided in the following table:

<b>Name</b>	<b>Position</b>	<b>Billing Rate</b>	<b>Total Hours</b>	<b>Total Fees</b>
Guglielmo, James	Managing Director	\$590	0.1	\$59.00
Fletemeyer, Ryan	Director	\$435	94.3	\$41,020.50
Concannon, Joseph	Consultant	\$325	1.2	\$390.00
Total			95.6	\$41,469.50

#### ***49 – Information Requests/Meetings with the Official Committee of Equity Security Holders (“Equity Committee”)***

During this fee period, FTI provided significant value to the Estate in coordinating and fulfilling requests received from the Equity Committee for financial and operational data pertaining to the Debtors. Upon the retention of a financial advisor for the Equity Committee, FTI and Rothschild efficiently and effectively maintained a cohesive information sharing process as we have with previous advisors for key stakeholders in the case.

FTI assisted the Debtors organize and create presentations for numerous on-site and telephonic conference meetings with the Equity Committee's advisors and various key personnel in the Debtors' organization to be responsive to the Equity Committee's inquiries of the Debtors and their business dealings. These meetings have allowed their advisors to gain significant exposure and insights from the Debtors' key financial and operational management team. Furthermore, FTI assisted the Debtors and Counsel in the preparation and presentation of extensive presentation materials for the scheduled monthly meetings with the Equity Committee and its advisors regarding the status of the Debtors' reorganization, significant case updates and key issues.

FTI was also instrumental in advising the Debtors through the retention process of the financial advisors to the Equity committee during this fee period. FTI provided experience and guidance to the Debtors and their counsel in negotiating the scope of service and fee structure for the financial advisor, and was also a key liaison with the chairpersons of the Equity Committee in communicating the retention proposals between the parties.

A summary of the hours incurred and total fees by each professional for the foregoing services is provided in the following table:

<b>Name</b>	<b>Position</b>	<b>Billing Rate</b>	<b>Total Hours</b>	<b>Total Fees</b>
Eisenberg, Randall	Senior Managing Director	\$655	31.9	\$20,894.50
Frankum, Adrian	Managing Director	\$590	0.5	\$295.00
Guglielmo, James	Managing Director	\$590	54.7	\$32,273.00
Kuby, Kevin	Managing Director	\$590	1.3	\$767.00
Fletemeyer, Ryan	Director	\$435	49.4	\$21,489.00
Pokrassa, Michael	Director	\$435	9.4	\$4,089.00
Total			147.2	\$79,807.50

## ***75 - Supplier Relations***

FTI continued to assist the Debtors in working with suppliers on a post-petition basis. Parts supplied by the Debtors must undergo lengthy and rigorous certification



processes and validation tests. Nearly all of the Debtors' direct suppliers are the sole source of certain materials and parts used in operations. During the Application Period, FTI participated in specific supplier negotiations with the Debtors and Debtors' Counsel and facilitated in the resolution of priority supply chain issues.

FTI provided assistance in responding to correspondence and communicating with various suppliers regarding specific supplier issues, such as extensions of trade terms, the potential impact of the transition plan, and a return to prepetition price downs and performance measures. FTI provided support to the various Delphi commodity teams and divisional personnel to assist the Delphi Global Supply Management team in addressing these issues, as well as to coordinate responses to requests for payment under the various First Day Orders and the reconciliation of prepetition payable balances.

In addition, FTI expended hours providing guidance and assistance to the Debtors with regards to their targeted supplier cost reduction plans and improved performance. Specifically, FTI worked with company personnel within the Delphi purchasing group in reviewing and assessing preliminary strategies for possible renegotiation of indirect materials contracts as developed through the Debtor and their retained professionals at AT Kearney.

A summary of the hours incurred and total fees by each professional for the foregoing services is provided in the following table:

<b>Name</b>	<b>Position</b>	<b>Billing Rate</b>	<b>Total Hours</b>	<b>Total Fees</b>
Eisenberg, Randall	Senior Managing Director	\$655	1.3	\$851.50
Behnke, Thomas	Managing Director	\$590	2.3	\$1,357.00
Kuby, Kevin	Managing Director	\$590	0.6	\$354.00
Wehrle, David	Director	\$520	39.0	\$20,280.00
Total			43.2	\$22,842.50

***77 – Supplier Contract Assumption/Extension***

As the end of 2005 approached, the Debtors were faced with the prospect of over 11,000 supply contracts due to expire on or about December 31, 2005. The Debtors' inability to reach agreements with suppliers for the continued provision of the goods subsequent to contract expiration would have been devastating to their business because such suppliers, absent extension of their agreements, may not have an obligation to continue to provide such goods to the Debtors. Without the continued shipments from suppliers, the Debtors' manufacturing process, and the entire automotive industry as a whole, could face imminent shutdown following expiration of the agreements. To facilitate the resolution of the many supplier contract extension issues facing the Debtors, the Court approved a contract negotiation and assumption process in December 2005.

During the Application Period, FTI assisted the Debtors with developing and analyzing information required to support the analysis of business cases for contract assumption during 2006. Specifically, FTI personnel assisted the Debtors' lead negotiators in quantifying the impact on the Estate of various contract assumption options, including the impact of term changes, resourcing costs, and price changes. FTI assisted the Debtors in preparing summaries describing the goods supplied under the contracts to be assumed, their criticality to the Debtors' operations, the supplier relationship and history of negotiations, and the terms of the assumption. Assistance was provided to the Debtors in estimating the value of preference waivers to the Estate and in reconciling prepetition claims under the contracts to be assumed.

FTI also participated in regular contract assumption review meetings with the Debtors, Debtors' Counsel, and Advisors to the UCC. FTI assisted the Debtors in providing data on the number of conforming and non-conforming settlements, settlement amounts, annual purchasing volumes, and estimated preference waivers to Delphi personnel and the UCC.

Further, FTI assisted the Debtors in developing the strategy and procedures for the replacement or extension of contracts due to expire at the end of 2006. The intent of the modified strategy is to minimize potential cure costs to the Estate.

FTI's work in this area has been invaluable to the Debtors in avoiding supply shut-downs as a result of expiring contracts. To date, no significant supply interruption has occurred.

A summary of the hours incurred and total fees by each professional for the foregoing services is provided in the following table:

<b>Name</b>	<b>Position</b>	<b>Billing Rate</b>	<b>Total Hours</b>	<b>Total Fees</b>
Wehrle, David	Director	\$520	122.9	\$63,908.00
Summers, Joseph	Consultant	\$385	4.1	\$1,578.50
Weber, Eric	Consultant	\$355	72.5	\$25,737.50
Total			199.5	\$91,224.00

***80 – Sell-Side Transaction Support - AHG Cockpit & Instrument Panels (“CIS”) and Integrated Closure Systems (“ICS”)***

A significant aspect of the Debtors' Transformation Plan is effectuating the sale of certain non-core product lines. The development of financial data for such businesses is essential to begin the marketing process. FTI assisted the Debtor with respect to sell-side due diligence on certain product lines that the Debtor intends to sell, specifically Cockpit & Interior Systems (“CIS”) which includes the product lines Cockpits and Instrument Panels, and Integrated Closure Systems (“ICS”) which includes the product lines Latches and Door Modules. In particular, assistance was provided to prepare stand-alone or “carve-out” financial statements of each product-line that can be used in an offering memorandum and to support management in terms of identifying potential concerns. This work was performed through numerous discussions with management and departmental resources, intensive analysis and product level reviews, including visits

to key plants, and routine collaboration with Delphi's AHG group as to assumptions. Such information reflects the businesses as if they were operating on a stand-alone basis.

As part of this work, FTI created a comprehensive financial model that mapped the product line "as reported" operating results (on a plant by plant basis), divisional and corporate allocations and various due diligence adjustments to arrive at the historical and forecasted pro forma stand-alone operating results, together with projected working capital requirements. The overall financial model is being utilized by Delphi's investment banker, Rothschild, to populate the offering memorandums, and by Delphi's AHG group to assist in the population of the data room and management presentations.

The initial forecasted operating results were significantly revised to reflect the new September 2006 contractual data for the forecast period 2007 through 2010. FTI worked closely with the Delphi Thermal & Interior management group and the Delphi AHG management group to review the results of the revenue/cost revisions to ensure the pro forma operating results reflected a realistic forecast of stand-alone results. In instances where the results did not reflect a realistic forecast, FTI worked closely with Delphi to identify and quantify management adjustments.

FTI created a methodology to develop pro forma historical balance sheets and pro forma working capital. A detailed identification methodology was developed and utilized to allocate inventory and fixed assets by product lines, and to estimate accounts receivable and account payable. In addition, an analysis was provided to quantify the expenses on a stand-alone basis. Also, corporate and divisional overhead costs and allocations were analyzed to ensure that they were appropriately reflected in the pro forma stand-alone financial results, and to present Delphi management with sufficient information to evaluate operations on the theoretical stand-alone basis.

FTI interfaced with Delphi's investment banker to support it in the development of comprehensive offering memorandums and teaser documents to be provided to potential buyers of the product lines. Other services that FTI provided to Delphi to

support the overall sale process include: collection of data to populate a virtual data room; preparation of detailed due diligence reports to facilitate the communication of the diligence analyses and findings to potential buyers; supported Delphi T&I management team in transitioning pro forma financial model knowledge, assumptions and analysis to the Delphi team that will be presenting management presentations to potential buyers; created auxiliary stand alone analyses to support Delphi management; and participated in weekly Delphi AHG management group meetings.

A summary of the hours incurred and total fees by each professional for the foregoing services are provided in the following table:

<b>Name</b>	<b>Position</b>	<b>Billing Rate</b>	<b>Total Hours</b>	<b>Total Fees</b>
Eisenberg, Randall	Senior Managing Director	\$655	2.8	\$1,834.00
Bartko, Edward	Senior Managing Director	\$655	98.4	\$64,452.00
Szmadzinski, Joseph	Senior Managing Director	\$610	11.1	\$6,771.00
Smalstig, David	Senior Managing Director	\$595	430.5	\$256,147.50
Frankum, Adrian	Managing Director	\$590	1.2	\$708.00
Farrell, David	Managing Director	\$545	378.4	\$206,228.00
Janecek, Darin	Managing Director	\$545	664.1	\$361,934.50
Emrikian, Armen	Director	\$495	2.0	\$990.00
Li, Danny	Director	\$465	281.7	\$130,990.50
Dana, Steven	Consultant	\$385	6.0	\$2,310.00
Lawand, Gilbert	Consultant	\$385	7.4	\$2,849.00
Abbott, Jason	Consultant	\$355	550.5	\$195,427.50
Quentin, Michele	Consultant	\$355	51.0	\$18,105.00
Ward, James	Consultant	\$355	449.6	\$159,608.00
Fei, Yongjie	Consultant	\$310	74.3	\$23,033.00
Gonzalez, Robert	Consultant	\$275	4.8	\$1,320.00
Teckchandani, Simpsy	Associate	\$245	45.4	\$11,123.00
Bowers, Amanda	Associate	\$215	26.3	\$5,654.50
Coleman, Matthew	Associate	\$215	203.8	\$43,817.00
Bowers, Amanda	Associate	\$175	8.0	\$1,400.00
Sub-total			3,297.3	\$1,494,702.50
Fee Accommodation				(\$224,206.00)
Total			3,297.3	\$1,270,496.50

### ***89 – Economic Consulting Services***

Since May 25, 2006 through the end of the Application Period, FTI provided economic consulting services to the Debtors related to securities class action suits filed

against the Debtors. In order to advise the Debtors regarding potential liabilities related to these suits, FTI conducted extensive industry research, collected a wide array of data, developed analytical models, and performed various analyses on industry trends, market performance, security transactions and other related matters. FTI's economic consulting professionals have years of experience advising clients in similar cases and has used this experience to provide significant insight to the Debtors in the evaluation of these cases.

Furthermore, FTI utilized its integrated system of computer, data handling and data analysis capability to effectively manage and analyze the large quantity of data relevant to these litigation proceedings. Given the extensive scope and range of this engagement, FTI-Lexecon's database system was used to analyze large amounts of data pertaining to this matter.

A summary of the hours incurred and total fees by each professional for the foregoing services are provided in the following table:

<b>Name</b>	<b>Position</b>	<b>Billing Rate</b>	<b>Total Hours</b>	<b>Total Fees</b>
Fischel, Daniel	Senior Managing Director	\$1,000	12.0	\$12,000.00
Keable, Michael	Managing Director	\$485	38.4	\$18,624.00
Zimmermann, Deborah	Consultant	\$390	2.8	\$1,092.00
Vinogradsky, Eugenia	Director	\$365	70.5	\$25,732.50
Clayburgh, Peter	Director	\$325	148.5	\$48,262.50
Affelt, Amy	Consultant	\$315	8.0	\$2,520.00
Ang, Clifford	Consultant	\$315	7.8	\$2,457.00
Maffei, Jeffrey	Consultant	\$315	144.0	\$45,360.00
Sardon, Brian	Consultant	\$315	1.0	\$315.00
Brighoff, Benjamin	Consultant	\$300	7.3	\$2,190.00
Desler, Regina	Consultant	\$300	0.3	\$90.00
Hong, Donald	Consultant	\$300	178.5	\$53,550.00
Pauwels, David	Consultant	\$300	15.6	\$4,680.00
Smith, Judy	Consultant	\$300	14.0	\$4,200.00
Bickford, Lucy	Consultant	\$280	1.0	\$280.00
Johnson, Quinn	Consultant	\$280	6.8	\$1,904.00
Park, Jaewan	Consultant	\$280	1.0	\$280.00
Farkas, Brandon	Consultant	\$260	11.0	\$2,860.00
Tolocka, Eric	Consultant	\$260	17.3	\$4,498.00
Adams, Rosalind	Associate	\$150	1.0	\$150.00
Calloway, Natalie	Associate	\$150	4.3	\$645.00
Hnatek, Kelly	Associate	\$150	0.8	\$120.00

<b>Name</b>	<b>Position</b>	<b>Billing Rate</b>	<b>Total Hours</b>	<b>Total Fees</b>
Computer Capability Fees			0.0	\$58,106.56
Sub-total			691.9	\$289,916.56
Fee Accommodation				(\$15,000.00)
Total			691.9	\$274,916.56

### ***90 - Virtual Data Room***

FTI established virtual data rooms for the Debtors in order to effectively respond to numerous but similar requests for data and information for the Supplemental Annual Incentive Program (“AIP”) and the 1113/1114 motions. During this fee period, FTI expended efforts to maintain the data rooms, as well as to load documents and handle user-access related issues. A key benefit of the data rooms as constructed is that they allow for a central electronic repository to house voluminous records and documents that have been requested by many of Delphi’s labor union representatives and advisors, and objecting parties to the AIP motion. The data rooms are available 24 hours a day, 7 days a week to authorized users, and allow the Debtors to provide timely and equal access to users to review.

A summary of the hours incurred and total fees by each professional for the foregoing services is provided in the following table:

<b>Name</b>	<b>Position</b>	<b>Billing Rate</b>	<b>Total Hours</b>	<b>Total Fees</b>
Guglielmo, James	Managing Director	\$590	0.6	\$354.00
Fletemeyer, Ryan	Director	\$435	5.3	\$2,305.50
Pfromer, Edward	Managing Director	\$400	5.8	\$2,320.00
Lu, Yin	Consultant	\$295	2.9	\$855.50
Band, Alexandra	Consultant	\$250	19.2	\$4,800.00
Block, Jessica	Consultant	\$250	4.8	\$1,200.00
Campbell, Anna	Consultant	\$235	4.5	\$1,057.50
Conde, Victoria	Consultant	\$225	2.4	\$540.00
Speedieberg, Alan	Consultant	\$225	0.3	\$67.50
Yun, Jairo	Consultant	\$225	0.6	\$135.00
Griffiths, Edward	Consultant	\$210	1.1	\$231.00
Ho, Jessica	Consultant	\$210	2.3	\$483.00
Guzman, Piter	Consultant	\$200	2.9	\$580.00
Houser, Nicholas	Consultant	\$200	3.2	\$640.00

<b>Name</b>	<b>Position</b>	<b>Billing Rate</b>	<b>Total Hours</b>	<b>Total Fees</b>
Myles, Krysten	Paraprofessional	\$150	6.5	\$975.00
Total			62.4	\$16,544.00

As is customary with all of its Clients, FTI has charged amounts as reimbursable expenses for the establishment and maintenance of the virtual data rooms. The total charges in the Application period was \$8,000.

#### ***97 - Case Administration***

FTI established project teams and developed reporting protocols to facilitate engagement management. Time expended in this category includes reviewing case calendars and case administration materials filed with the Court, updating FTI's conflict checks and preparing Supplemental Affidavits of Disinterestedness. In addition, FTI incurred hours to maintain compliance with certain guidelines established by the Delphi Fee Review Committee. These hours were limited and valuable to the overall project planning of this engagement and ensured services were provided in the most efficient and effective manner.

A summary of the hours incurred and total fees by each professional for the foregoing services is provided in the following table:

<b>Name</b>	<b>Position</b>	<b>Billing Rate</b>	<b>Total Hours</b>	<b>Total Fees</b>
Eisenberg, Randall	Senior Managing Director	\$655	3.5	\$2,292.50
Frankum, Adrian	Managing Director	\$590	19.7	\$11,623.00
Guglielmo, James	Managing Director	\$590	5.4	\$3,186.00
Kuby, Kevin	Managing Director	\$590	2.6	\$1,534.00
Concannon, Joseph	Consultant	\$325	2.6	\$845.00
Park, Ji Yon	Associate	\$245	13.6	\$3,332.00
Schondelmeier, Kathryn	Associate	\$245	46.8	\$11,466.00
Johnston, Cheryl	Paraprofessional	\$175	0.6	\$105.00
Sub-total			94.8	\$34,383.50
Fee Accommodation				(\$3,000.00)
Total			94.8	\$31,383.50

#### ***98 - Fee Application Process***



FTI expended necessary resources to ensure the timely filing of monthly fee statements in accordance with the Administrative Order Pursuant to 11 U.S.C. Sections 105(a) and 331 Establishing Procedures For Interim Compensation and Reimbursement of Expenses of Professionals dated November 4, 2005.

Time expended in this category includes preparing the Monthly Fee Statements for the fee periods of May through August, 2006. FTI also prepared the Second Interim Fee Application that was filed with the Court on July 31, 2006.

A summary of the hours incurred and total fees by each professional for the foregoing services is provided in the following table:

<b>Name</b>	<b>Position</b>	<b>Billing Rate</b>	<b>Total Hours</b>	<b>Total Fees</b>
Eisenberg, Randall	Senior Managing Director	\$655	20.6	\$13,493.00
Frankum, Adrian	Managing Director	\$590	36.0	\$21,240.00
Guglielmo, James	Managing Director	\$590	47.3	\$27,907.00
Park, Ji Yon	Associate	\$245	339.1	\$83,079.50
Schondelmeier, Kathryn	Associate	\$245	159.6	\$39,102.00
Johnston, Cheryl	Paraprofessional	\$175	461.1	\$80,692.50
Sub-total			1,063.7	\$265,514.00
Fee Accommodation				(\$70,000.00)
Total			1,063.7	\$195,514.00

### ***99 – Travel***

Fees for travel time have been charged at one half (50%) of the actual time incurred. Such travel time consists of: (i) travel to and from the client site in Troy, Michigan; (ii) travel to New York to attend various hearings and meetings; (iii) travel to and from various plant locations to assist with sell side due diligence services; and (iv) travel to various locations for purposes of assisting with bankruptcy proceedings and related items.

A summary of the hours incurred and total fees by each professional for the foregoing services is provided in the following table:

Name	Position	Billing Rate	Total Hours	Total Fees
Eisenberg, Randall	Senior Managing Director	\$655	62.2	\$40,741.00
Bartko, Edward	Senior Managing Director	\$655	18.0	\$11,790.00
Caruso, Robert	Senior Managing Director	\$610	6.5	\$3,965.00
Koskiewicz, John	Senior Managing Director	\$595	37.0	\$22,015.00
Smalstig, David	Senior Managing Director	\$595	33.0	\$19,635.00
Behnke, Thomas	Managing Director	\$590	78.0	\$46,020.00
Frankum, Adrian	Managing Director	\$590	93.0	\$54,870.00
Guglielmo, James	Managing Director	\$590	108.0	\$63,720.00
Kuby, Kevin	Managing Director	\$590	46.0	\$27,140.00
Farrell, David	Managing Director	\$545	27.9	\$15,205.50
Janecek, Darin	Managing Director	\$545	43.2	\$23,544.00
Wehrle, David	Director	\$520	18.0	\$9,360.00
Emrikian, Armen	Director	\$495	64.0	\$31,680.00
Turbedsky, Jeffrey	Director	\$495	6.0	\$2,970.00
Wada, Jarod	Director	\$495	48.0	\$23,760.00
Perfetti, Lisa	Managing Director	\$475	24.0	\$11,400.00
Li, Danny	Director	\$465	65.0	\$30,225.00
Wu, Christine	Director	\$465	99.0	\$46,035.00
Fletemeyer, Ryan	Director	\$435	93.0	\$40,455.00
Gildersleeve, Ryan	Director	\$435	46.0	\$20,010.00
Pokrassa, Michael	Director	\$435	36.0	\$15,660.00
Teakram, Harry	Director	\$425	24.0	\$10,200.00
O'Malley, Stephen	Director	\$400	3.0	\$1,200.00
Dana, Steven	Consultant	\$385	57.0	\$21,945.00
Karamanos, Stacy	Consultant	\$385	49.8	\$19,173.00
Kim, John	Consultant	\$385	15.0	\$5,775.00
Summers, Joseph	Consultant	\$385	30.0	\$11,550.00
Abbott, Jason	Consultant	\$355	31.5	\$11,182.50
Krieg, Brett	Consultant	\$355	42.0	\$14,910.00
Quentin, Michele	Consultant	\$355	8.0	\$2,840.00
Tamm, Christopher	Consultant	\$355	10.0	\$3,550.00
Triana, Jennifer	Consultant	\$355	42.0	\$14,910.00
Ward, James	Consultant	\$355	47.0	\$16,685.00
Weber, Eric	Consultant	\$355	24.0	\$8,520.00
Concannon, Joseph	Consultant	\$325	16.0	\$5,200.00
Molina, Robert	Consultant	\$325	6.0	\$1,950.00
Kocica, Anthony	Consultant	\$310	15.0	\$4,650.00
Lewandowski, Douglas	Associate	\$280	4.0	\$1,120.00
McDonagh, Timothy	Associate	\$245	87.0	\$21,315.00
Swanson, David	Associate	\$245	27.0	\$6,615.00
Bowers, Amanda	Associate	\$215	4.0	\$860.00
Coleman, Matthew	Associate	\$215	14.6	\$3,139.00
McKeighan, Erin	Associate	\$215	20.0	\$4,300.00
Bowers, Amanda	Associate	\$175	2.0	\$350.00
Sub-total			1,630.7	\$752,140.00
Fee Accommodation				(\$376,070.00)
Total			1,630.7	\$376,070.00

9. Pursuant to the Local Guidelines, a certification regarding compliance with same is attached hereto as Exhibit A.

10. Pursuant to the UST Guidelines, annexed hereto as Exhibit B is a schedule setting forth all FTI professionals and paraprofessionals who have performed services in these Chapter 11 cases during the Application Period, the capacities in which each such individual is employed by FTI, the department in which each individual practices, the hourly billing rate charged by FTI for services performed by such individual, and the aggregate number of hours expended in this matter and fees billed.

11. Attached as Exhibit C is a Summary of Fees and Expenses by Month which also provides the voluntary fee accommodations taken by FTI on a monthly basis. Payments made by the Debtors to FTI for fees and expenses incurred during the Application Period are reflected as well.

12. Attached hereto as Exhibit D is a Summary of Fees and Hours by Project Category of the services performed by FTI during the Application Period.

13. Attached hereto as Exhibit E is a Summary of Expenses by Month specifying the categories of expenses for which FTI is seeking reimbursement, and the total amount for each such expense category.

14. Attached hereto as Exhibit G and H are the exhibits which were prepared in support of the June, July, August and September Fee Statements. Contained therein, are FTI's detailed fees by category by professional for each of the four fee statement periods encompassed in the Application Period. FTI's itemized time records include: (i) the date each service was rendered, (ii) the professional who performed the service, (iii) a description of the service rendered, (iv) the time spent performing the service in increments of tenths of an hour. FTI's expenses, for which reimbursement is being sought, are disclosed in detail by individual and by

expense category.

15. As set forth in summary in Exhibit E and in detail in Exhibit H attached hereto, FTI has incurred \$553,976.43 in expenses on behalf of the Debtors in providing professional services during the Application Period. The actual expenses incurred in providing professional services were necessary, reasonable, and justified under the circumstances to serve the needs of the Debtors in these Chapter 11 cases. FTI states as follows regarding these expenses: external copying charges are at the provider's cost without markup; actual cost for overnight delivery and postage at provider's cost are billed without markup; charges for office supplies purchased for on-site work at the client are at the provider's cost without markup. The location of the Debtors and the need to be on-site to administer many of the duties on behalf of the Debtors caused FTI to travel extensively to provide advisory services. All air travel to and from the Debtors' location was necessary and billed at actual coach airfare.

16. FTI has not requested reimbursement for certain out-of-pocket expenses when it would not be possible to assemble the billing details for reimbursement under the Guidelines. These unbilled out-of-pocket expenses typically include telephone charges for calls placed from FTI's offices, postage costs and copying and facsimile charges incurred at FTI's offices in connection with these cases. Additionally, FTI voluntarily limited meal charges on a per meal basis and did not seek reimbursement for lunch charges.

17. FTI elected to make certain voluntary fee accommodations within the Application Period. These reductions resulted from eliminating time incurred that FTI believes to be valuable to the efficient and effective execution of its responsibilities, but recognizes that the direct benefit may be less than obvious. For this reason, and in a good faith effort to ensure that its compensation request represents proper value and complies with the U.S. Trustee Guidelines for the Southern District of New York, FTI eliminated these fees from its request.

Such voluntary reductions total \$754,276.00 in professional fees, inclusive of reducing all travel fees by 50% during the Application Period. The reductions are permanent, with prejudice, and indicate our best effort to ensure that our fees represent appropriate value.

18. FTI believes that this Third Interim Application, together with the attachments hereto, substantially complies in all material respects with Local and United States Trustee Guidelines. To the extent this Third Interim Application does not comply in every respect with the requirements of such guidelines, FTI respectfully requests a waiver for any such technical non-compliance.

### **RELIEF REQUESTED**

19. Section 330 of the Bankruptcy Code, as amended by the Bankruptcy Reform Act of 1994, governs compensation of professionals in a bankruptcy case and empowers the Court to award reasonable compensation for actual and necessary services and reimbursement for actual and necessary expenses. Section 331 of the Bankruptcy Code provides for interim compensation of professionals and incorporates the substantive standards of section 330 of the Bankruptcy Code to govern the Court's award of such compensation. Section 330 of the Bankruptcy Code also sets forth the criteria for the award of such compensation and reimbursement. The time and fees incurred by FTI in rendering professional services on behalf of the Debtors should be considered in light of: (a) the novelty and complexity of issues presented and the amounts and results achieved; (b) the time and labor required; (c) the skills required to properly perform the financial advisory services; (d) the customary fee to a client for the services rendered outside of bankruptcy; (e) the time constraints imposed by the urgency of the case; (f) the experience, reputation and ability of the professionals rendering services; (g) the efficient administration of the Estate; and (h) the avoidance of duplicate fees. FTI believes that the consideration of these criteria more than justifies the compensation requested.

*(a) Novelty and complexity of issues presented and the amounts and results achieved –*

This case involved multi-faceted questions and issues regarding the complex legal structure of the Debtors with forty-two (42) entities filing for the largest manufacturer to have filed for Chapter 11. During the Application Period, FTI assisted the Debtors with the 1113/1114 legal process, including the deposition and testimonial sessions of FTI professionals and the development and review of many of the Debtors' declarations, exhibits and demonstratives. FTI also provided valuable assistance in the claims management area spanning all aspects of claims management and resolution. FTI was actively engaged in filing of the first of many claims objections such as the First Omnibus Objection to Certain Duplicate and Amended Claims and Equity Claims, involving over 3,500 claims. FTI also established a multi-user, computer information system environment, utilizing FTI's bankruptcy Claims Management System ("CMS"), to manage and resolve the Debtors' scheduled liabilities and proofs of claim. In addition to claims work, FTI assisted the Debtors in numerous facets of the framework negotiations and the underlying financial analyses supporting these stakeholder discussions. FTI's involvement and guidance was essential in developing a credible and reliable set of financial projections and analyses in support of such discussions. FTI was also instrumental in assisting the Debtors stabilize its critical and essential supply chain through its continuing support of the contract assumption/extension process. Lastly, FTI played a key role in preparing and communicating important information to various parties-in-interest in the case matters (such as the UCC, the prepetition lenders, the Equity Committee, and their respective advisors); has helped the Debtors to manage, evaluate and negotiate the 855 reclamation demands it has received in these cases (representing over 100,000 invoice lines, one of the largest if not the largest reclamation resolution efforts in U.S. history); and, has provided extensive advice and guidance regarding a myriad of strategic, operational and financial issues. Overall, FTI asserts that

the professional services provided have been invaluable to the progression of these proceedings.

(b) *Time and labor required* – The efforts expended by FTI has been commensurate with the size and complexity of the case. FTI made a dedicated effort to avoid duplication of effort and to leverage staff appropriately. The complex issues of the case required staff professionals to conference and collaborate at certain times to ensure the efficient allocation of resources and to plan strategies effectively. While essential to the effective administration of the engagement, to the extent possible these conferences were kept to a minimum. FTI kept management informed of its activities and has not commenced any work or analysis without the consent, knowledge and approval of the Debtors' management team. To this end, FTI professionals and paraprofessionals expended 19,005.1 hours during the Application Period rendering professional services on behalf of the Debtors and their Estates.

(c) *Skills required to properly perform the financial advisory services* – FTI was instrumental in providing facts and reporting results that enabled the Debtors to make informed decisions on complex issues. The specialized and complex nature of these issues require professionals with demonstrated skill and experience to appropriately address the issues, and to provide relevant testimony. As such and where appropriate, FTI utilized certain professionals with substantial experience and expertise for the work associated with this assignment. FTI has spent considerable time and resources over the past several years in developing and refining its reorganization and restructuring experience, and the professionals who have worked on this case have demonstrated the skill required to provide the services necessary to assist the Debtors throughout these proceedings.

(d) *Customary fee to a client for the services rendered outside of bankruptcy* - The compensation requested in this Application reflects the usual and customary fees charged by FTI for similar services in this marketplace. The hourly fees charged to

clients are dependent upon the experience of the individuals assigned to the engagement. The fees requested herein are not in excess of those charged to our non-bankruptcy clients. Upon FTI's knowledge and belief, the rates sought for approval herein are commensurate or below the usual and customary rates charged for services performed by comparable experts in bankruptcy cases.

(e) *Time constraints imposed by the urgency of the case* – The case has moved rapidly, and at times required substantial effort by FTI in completing work to meet specific Court deadlines and specific case issues. Examples, as noted above, include FTI's efforts required to meet established timelines with respect to the (i) 1113/1114 negotiations and court process; (ii) the filing of the First Omnibus Objection to Certain Duplicate and Amended Claims and Equity Claims; and (iii) assisting in the preparation of offering memorandums and related documents to be provided to potential buyers of Delphi's Cockpit & Interior Systems and Integrated Closure Systems product lines. FTI adapted its staffing to appropriately address these and other urgent matters.

(f) *Experience, reputation and ability of the professionals rendering services* - The Debtors selected FTI due to the experience and expertise of its professionals both in bankruptcy proceedings and for its particular industry knowledge. The combination of FTI's industry expertise and bankruptcy experience has greatly contributed to the Debtors making informed decisions during the proceedings. Over the past several years, FTI has been involved in numerous large and complex bankruptcy cases and, as a result, has many professionals and support staff who are extremely knowledgeable with respect to the specialized work and analyses required in a Chapter 11 proceeding.

(g) *Efficient administration of the Estate* - The services in this case were rendered, whenever possible, by those professionals with the lowest billing rates and the degree of experience and specialization needed to perform the services required efficiently and properly. In addition, FTI sought Debtor personnel to assist with services whenever possible. For example, FTI utilized and trained numerous Debtor and



temporary personnel to work alongside the professionals in the reclamations and claims management processes. Further to this point, all claims management work was carefully considered ahead of time by the Debtors as to whether it should be performed by Delphi personnel, a temporary service agency hired specifically by the Debtors to perform more basic, clerical work, or FTI. In addition, FTI has transferred the 13-week cash flow analysis, DIP variance analysis and DIP projection model to the Debtors during the prior interim Application Period.

(h) *The avoidance of duplicate fees* - To the best of FTI's knowledge and belief, there has been no duplication of professional services rendered between FTI and any other professionals of the Bankruptcy Estate.

20. In sum, the services rendered by FTI were necessary and beneficial to the Debtors and their Estates, and were consistently performed in a timely manner commensurate with the complexity, importance, novelty, and nature of the issues involved. Accordingly, approval of the compensation sought herein is warranted.

21. There is no agreement or understanding between FTI and any other person, other than employees of the firm, for the sharing of compensation to be received for services rendered in these Chapter 11 cases.

22. To the extent that time or disbursement charges for services rendered or disbursements incurred relate to the Application Period, but were not processed prior to the preparation of this Application, FTI reserves the right to request additional compensation for such services and reimbursement of such expenses in a future application.

23. FTI respectfully submits that the relevant legal authorities are set forth herein and that this Application presents no novel issues of law. Thus, FTI respectfully submits that this Application satisfies the requirement set forth in the Southern District of New York Local Bankruptcy Rule 9013-1 that a separate memorandum of law be filed in support of this

Application.

24. In compliance with the Interim Compensation Order, notice of the filing of this Interim Application will be provided to all parties who have filed a notice of appearance with the Clerk of this Court and requested notice of pleadings in these chapter 11 cases. In addition, the Interim Application in its entirety will be served on the following parties: (i) Delphi Corporation, (ii) Counsel for the Debtors, (iii) the Office of the United States Trustee for the Southern District of New York, (iv) Counsel for the Creditors' Committee, (v) Counsel for the agent under the Debtors' prepetition credit facility, (vi) Counsel for the agent under the Debtors' postpetition credit facility, (vii) Counsel for the Official Committee of Equity Security Holders, and (viii) the members of the Fee Review Committee. In light of the nature of the relief requested, FTI submits that no other or further notice is necessary.

### **CONCLUSION**

WHEREFORE, FTI Consulting, Inc. respectfully requests this Court to: (i) approve its Third Interim Application for compensation for the period from June 1, 2006 through September 30, 2006 in the amount of \$7,483,126.56 and reimbursement of necessary out-of-pocket expenses in the full amount of \$553,976.43; (ii) authorize payment of any portion of these fees and expenses that remain unpaid including the amount of \$1,496,625.31 that represents the 20% holdback of professional fees for the period of June 1, 2006 through September 30, 2006; and (iii) grant such other and further relief as the Court deems just and proper.

Dated: New York, New York  
November 28, 2006

Respectfully submitted

/s/ Randall S. Eisenberg  
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Restructuring and Financial Advisor for the  
Debtors and Debtors-in-Possession